a first substrate;

a second substrate attached to the first substrate;

a liquid crystal sealed between the first substrate and the second substrate;

a first conductive member formed on a surface of a peripheral portion of the first substrate;

a second conductive member formed on a portion on the second substrate that opposes the first conductive member;

an alignment layer covering an inner surface of at least one of the first conductive member and the second conductive member; and

a conductive material containing conductive particles and non-conductive spacers conductively connecting the first conductive member and the second conductive member, the conductive particles breaking through the alignment layer to be in conductive contact with the at least one of the first conductive member and the second conductive member;

wherein the conductive particles have an outside diameter that is 5 to 20% larger than an outside diameter of the non-conductive spacers.

2. (Amended) The liquid crystal device according to Claim 1, wherein the alignment layer is formed on an entire surface of an area of a substrate surface where the first substrate and the second substrate oppose each other, except a place where the conductive particles break through the alignment layer.

3. (Amended) The liquid crystal device according to Claim 1, wherein the conductive material is a sealing material for sealing the liquid crystal between the first substrate and the second substrate.

Cont'd

4. (Amended) A liquid crystal device comprising:

a first substrate;

a second substrate attached to the first substrate;

a liquid crystal sealed between the first substrate and the second substrate;

a first electrode formed on a surface of the first substrate;

a second electrode formed on a surface of the second substrate;

a first conductive member formed on a surface of a peripheral portion of the first substrate and electrically connected with the first electrode;

a second conductive member formed on a portion on the second substrate opposing the first conductive member and electrically connected with the second electrode; and

a vertical conducting portion having a conductive material containing conductive particles conductively connected between the first conductive member and the second conductive member; and

an alignment layer provided on a surface of at least one of the first conductive member and the second conductive member, except a place where the conductive particles break through the alignment layer and conductively contact the at least one of the first conductive member and the second conductive member;

wherein the alignment layer has a thickness of 100 to 400 angstroms.

5. (Amended) A manufacturing method for a liquid crystal device comprising:

attaching a first substrate and a second substrate to each other with a liquid crystal sealed in therebetween;

forming a first conductive member on a surface of a peripheral portion of the first substrate;

forming a second conductive member on a portion of the second substrate that opposes the first conductive member;

forming an alignment layer to cover a surface of at least one of the first conductive member and the second conductive member; and

using compression bonding to conductively connect the first conductive member and the second conductive member in a vertical conducting portion with a conductive material containing conductive particles and non-conductive spacers, said compression-bonding causing the conductive particles to break through the alignment layer to conductively contact the at least one of the first conductive member and the second conductive member;

wherein the alignment layer has a thickness of 100 to 400 angstroms and the conductive particles have an outside diameter that is 5 to 20% larger than an outside diameter of the non-conductive spacers.

6. (Amended) The manufacturing method for a liquid crystal device according to Claim 5, wherein said step for forming the alignment layer further

comprises forming the alignment layer on an entire area of the surface where the first substrate and the second substrate oppose each other.

7. (Amended) The manufacturing method for a liquid crystal device according to Claim 5, wherein the conductive material is used as a sealing material for sealing the liquid crystal between the first substrate and the second substrate.

Please add the following new claims:

8. (New) The liquid crystal device according to Claim 1, wherein the alignment layer has a thickness of 100 to 400 angstroms.

9. (New) The liquid crystal device according to Claim 8, wherein the conductive material is a sealing material for sealing the liquid crystal between the first substrate and the second substrate.

10. (New) The liquid crystal device according to Claim 4, wherein the conductive material further contains non-conductive spacers and the conductive particles have an outside diameter that is 5 to 20% larger than an outside diameter of the non-conductive spacers.

11. (New) The liquid crystal device according to Claim 10, wherein the conductive material is a sealing material for sealing the liquid crystal between the first substrate and the second substrate.